

VENTURA COUNTY ECONOMIC FORECAST

Ventura County located just north of Los Angeles County served as a bedroom community for the principal job base in the San Fernando and San Gabriel Valleys. However, the county has evolved into a jobs center with the growth of the technology corridor that stretches along Highway 101 from Woodland Hills to Camarillo.

Ventura County has a population of 815,000 people and more than 313,000 wage and salary jobs. The median household income of Ventura County is \$79,500, which is the fourth highest in the state.

Economic growth in Southern California has been strong since the start of the decade, and even more impressive during 2005. Last year 6,900 total jobs were created in Ventura County, a growth rate of 2.2 percent. The non-farm growth rate was 1.8 percent. The unemployment rate fell to 4.7 percent.

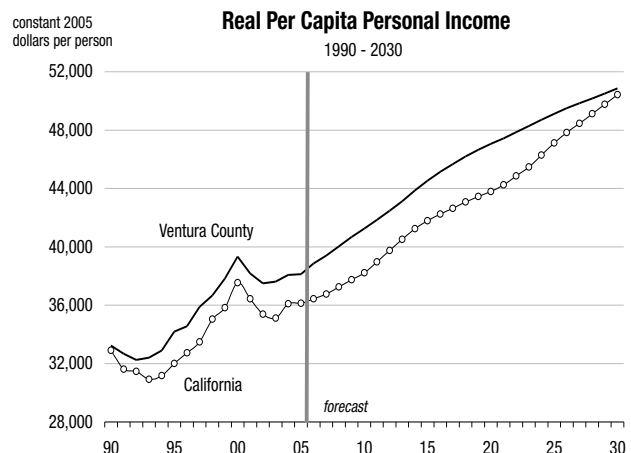
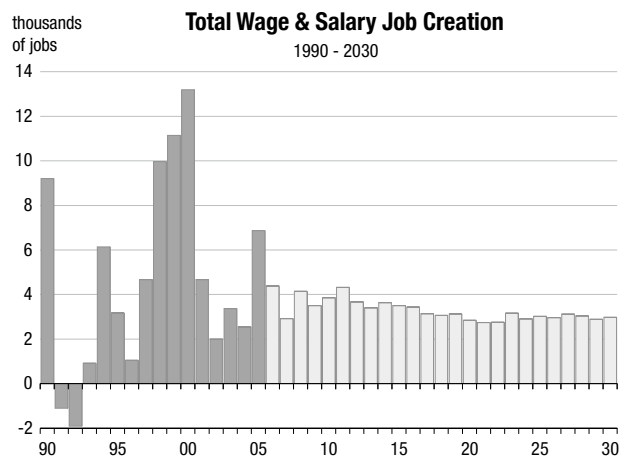
The principal employment clusters in Ventura County are biotechnology, information technology, healthcare services, and mortgage lending. The two largest private employers are Amgen and Countrywide. The U.S. Navy and County government are still the largest employers, though naval employment is expected to continue downsizing over time. The technology corridor is growing again in the Conejo Valley, and there is new momentum from job growth in the Oxnard Plain. Significant production of housing in Oxnard, Camarillo, and Ventura is now underway.

The fastest growing cities in the county between 2005 and 2006 were Camarillo and Simi Valley, which grew 2.3 and 1.3 percent respectively. Oxnard, the largest city in the county with nearly 190,000 residents, grew by 0.9 percent in the last year.

Employment growth is expected to moderate in Ventura County over the next several years. The primary impediment to greater growth in the region is the lack of affordable housing. The median selling price has leveled off near \$680,000, which is more than most wage earners can afford. More growth in the region would necessitate the production of more housing than is currently planned.

FORECAST HIGHLIGHTS

- Non-farm job growth is forecast to decline to 1.4 percent in 2006. Job growth is expected to average 1.2 percent between 2006 and 2010. The farm sector is expected to plateau.
- Real per capita incomes increase at a rate of 1.9 percent in 2006. An annual compound rate of growth of 1.6 percent is forecast over the next 5 years.
- Industrial production will increase by 2.6 percent in 2006. From 2006 to 2010, the growth rate of industrial production is 1.8 percent.

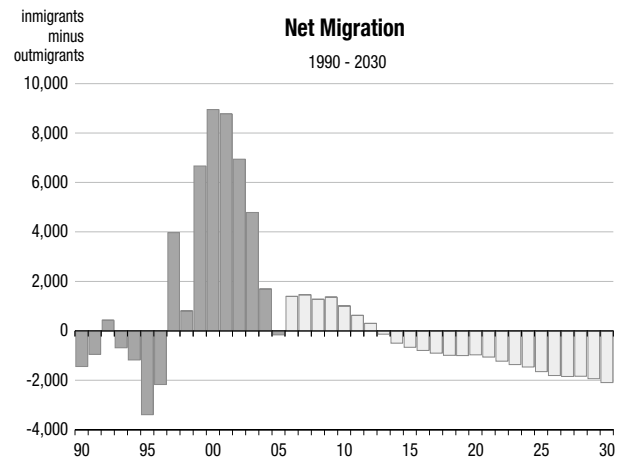
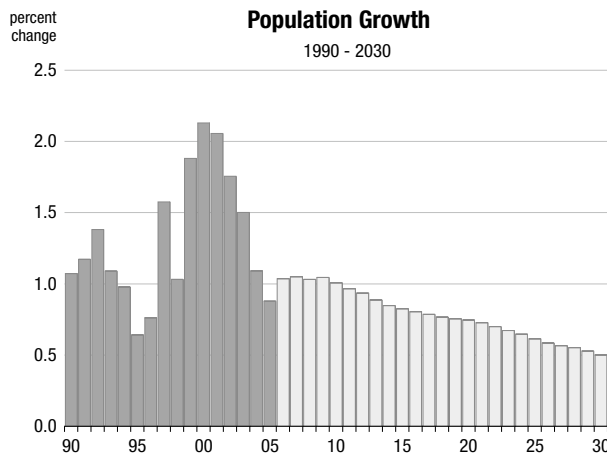


- Average salaries adjusted for inflation are currently above the California state average, and will remain relatively high over the forecast horizon. Real average salaries rise an average of 1.2 percent per year over the next 5 years.
- Employment growth is forecast to be strongest in professional services, trade and healthcare and education. These sectors account for 62 percent of total wage and salary job creation from 2006 to 2010.
- The population will continue to grow in the county at the same rate as from 2004 and 2005. Annual growth in the 2006 to 2010 period averages 1.0 percent per year.
- Net migration is forecast to increase in 2006, to approximately 1,400 people. Net migration will average 1,300 persons per year from 2006 to 2010. More housing over the next 5 years will accommodate marginally higher rates of net migration.

Ventura County Economic Forecast

1997-2005 History, 2006-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1997	721,664	3,973	570.2	231.8	2,316	\$7.0	\$20.5	\$35,873	1.7	1.19	4.0	6.7
1998	729,107	806	607.7	233.8	3,182	\$7.5	\$21.5	\$36,665	1.4	1.17	4.2	5.6
1999	742,825	6,674	624.6	236.2	4,442	\$8.3	\$23.1	\$37,816	2.3	1.29	4.7	4.8
2000	758,654	8,952	654.0	243.2	3,971	\$9.1	\$25.4	\$39,335	3.3	1.23	5.5	4.5
2001	774,258	8,778	682.1	246.0	3,446	\$9.5	\$26.0	\$38,170	3.4	1.20	4.7	4.9
2002	787,856	6,950	703.9	250.1	2,507	\$9.8	\$26.7	\$37,501	2.8	1.28	4.7	5.8
2003	799,689	4,790	705.2	253.1	3,635	\$10.4	\$27.9	\$37,610	2.6	1.21	5.1	5.8
2004	808,425	1,686	753.4	255.7	2,603	\$11.2	\$29.5	\$38,068	3.3	1.45	5.7	5.4
2005	815,528	-157	781.0	258.4	4,356	\$11.8	\$31.1	\$38,130	4.5	1.34	5.9	4.7
2006	823,992	1,391	795.1	262.4	4,072	\$12.9	\$33.1	\$38,854	3.3	1.27	6.1	4.7
2007	832,646	1,467	812.1	266.3	3,994	\$13.7	\$34.8	\$39,399	2.6	1.29	6.1	4.8
2008	841,238	1,277	830.3	270.1	4,150	\$14.6	\$36.7	\$40,031	3.0	1.24	6.2	4.7
2009	850,034	1,365	848.3	274.0	3,679	\$15.6	\$38.8	\$40,669	3.0	1.29	6.3	4.6
2010	858,607	1,009	866.3	277.5	3,382	\$16.6	\$41.1	\$41,246	3.2	1.28	6.5	4.4
2011	866,916	623	882.5	280.7	3,084	\$17.6	\$43.3	\$41,848	3.0	1.25	6.7	4.6
2012	875,030	307	896.4	283.7	2,929	\$18.6	\$45.6	\$42,474	2.8	1.27	6.9	4.7
2013	882,800	-132	909.1	286.4	2,752	\$19.6	\$48.1	\$43,110	2.9	1.28	7.2	4.8
2014	890,285	-493	920.4	289.1	2,736	\$20.6	\$50.8	\$43,860	2.9	1.26	7.6	4.8
2015	897,645	-661	930.0	291.7	2,706	\$21.7	\$53.6	\$44,524	3.2	1.27	7.9	4.8
2016	904,874	-787	938.3	294.2	2,687	\$22.8	\$56.6	\$45,146	3.3	1.27	8.2	4.8
2017	911,993	-896	945.0	296.8	2,649	\$23.8	\$59.6	\$45,661	3.3	1.24	8.4	4.9
2018	918,997	-985	950.3	299.3	2,675	\$24.9	\$62.6	\$46,195	3.1	1.27	8.8	4.9
2019	925,944	-995	956.0	301.8	2,699	\$26.0	\$65.7	\$46,643	3.1	1.27	9.1	4.8
2020	932,866	-968	961.2	304.4	2,710	\$27.2	\$68.8	\$47,053	3.1	1.26	9.4	4.7
2021	939,655	-1,060	966.5	307.0	2,604	\$28.4	\$72.0	\$47,433	3.0	1.24	9.5	4.7
2022	946,237	-1,224	969.9	309.4	2,569	\$29.6	\$75.4	\$47,857	3.1	1.27	9.6	4.6
2023	952,609	-1,359	973.2	311.9	2,527	\$30.9	\$79.0	\$48,286	3.0	1.24	9.6	4.6
2024	958,781	-1,462	976.6	314.3	2,464	\$32.1	\$82.5	\$48,696	2.9	1.28	9.6	4.6
2025	964,675	-1,644	979.7	316.6	2,395	\$33.5	\$86.1	\$49,107	3.0	1.26	9.5	4.5
2026	970,324	-1,805	983.1	318.9	2,357	\$35.0	\$90.0	\$49,508	3.0	1.26	9.5	4.4
2027	975,832	-1,840	986.4	321.1	2,446	\$36.6	\$93.9	\$49,836	3.1	1.26	9.5	4.4
2028	981,234	-1,829	988.9	323.5	2,372	\$38.3	\$98.1	\$50,166	3.3	1.25	9.6	4.4
2029	986,430	-1,937	990.8	325.7	2,327	\$40.2	\$102.5	\$50,503	3.2	1.28	9.8	4.3
2030	991,387	-2,094	992.2	327.9	2,268	\$42.2	\$107.1	\$50,868	3.2	1.26	9.9	4.3



Ventura County Employment Forecast

1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	260.0	17.29	11.5	36.1	5.4	39.5	13.0	31.8	6.5	23.0	22.0	43.3
1998	270.0	17.65	13.2	38.0	5.3	39.9	14.7	35.1	7.1	23.3	22.3	43.1
1999	281.1	17.53	14.7	39.3	5.4	41.5	16.1	36.6	8.2	24.0	23.5	43.9
2000	294.3	19.34	15.5	41.4	5.6	44.1	16.7	39.6	7.9	24.2	25.2	44.3
2001	299.0	19.07	16.1	40.5	5.9	44.8	19.7	37.2	8.4	25.3	26.6	45.1
2002	301.0	19.18	15.7	38.0	5.8	45.8	22.2	36.6	8.1	26.3	27.2	45.3
2003	304.4	20.18	16.6	37.1	5.6	46.3	23.4	36.9	7.2	27.6	27.6	44.8
2004	306.9	20.72	16.9	38.3	5.7	47.5	24.2	37.3	6.8	27.5	28.5	42.5
2005	313.8	22.33	18.6	38.4	5.8	49.0	24.5	38.3	6.2	28.5	28.9	42.1
2006	318.2	22.54	18.8	38.4	6.0	49.8	24.7	39.1	6.1	29.1	29.2	43.0
2007	321.1	22.50	18.9	38.1	6.2	50.7	24.8	39.5	6.1	29.8	29.6	43.5
2008	325.3	22.63	19.1	37.8	6.4	51.8	25.2	39.9	6.3	30.6	29.9	44.1
2009	328.8	22.49	18.6	37.6	6.6	52.8	25.5	40.5	6.5	31.5	30.3	44.4
2010	332.6	22.51	17.9	37.6	6.9	53.9	25.9	41.3	6.8	32.3	30.8	44.7
2011	337.0	22.61	16.9	37.7	7.1	55.0	26.3	42.3	7.0	33.2	31.2	45.3
2012	340.6	22.55	16.1	37.7	7.3	55.9	26.6	43.4	7.2	34.2	31.6	45.6
2013	344.1	22.52	15.4	37.7	7.5	56.6	26.9	44.4	7.3	35.2	32.0	45.8
2014	347.7	22.56	14.8	37.8	7.7	57.2	27.2	45.2	7.5	36.1	32.5	46.1
2015	351.2	22.55	14.5	38.0	7.9	57.8	27.6	45.8	7.6	37.0	32.9	46.3
2016	354.6	22.54	14.2	38.2	8.0	58.4	28.0	46.2	7.7	37.9	33.4	46.5
2017	357.8	22.63	14.0	38.4	8.2	58.8	28.4	46.6	7.9	38.7	33.9	46.7
2018	360.9	22.55	13.8	38.5	8.4	59.1	28.7	47.0	8.0	39.4	34.4	47.0
2019	364.0	22.55	13.7	38.6	8.6	59.5	29.0	47.3	8.1	40.2	34.8	47.3
2020	366.8	22.57	13.7	38.5	8.8	59.8	29.3	47.7	8.2	41.0	35.3	47.6
2021	369.6	22.64	13.6	38.5	9.0	60.1	29.5	48.0	8.3	41.7	35.7	47.8
2022	372.4	22.53	13.4	38.6	9.1	60.4	29.8	48.3	8.3	42.5	36.1	48.0
2023	375.5	22.63	13.3	38.9	9.3	60.9	30.2	48.6	8.4	43.2	36.4	48.3
2024	378.4	22.51	13.1	39.2	9.5	61.2	30.6	48.9	8.5	43.9	36.7	48.6
2025	381.5	22.56	12.9	39.5	9.6	61.5	31.0	49.2	8.7	44.6	36.9	48.9
2026	384.4	22.57	12.7	39.9	9.8	62.0	31.3	49.5	8.8	45.2	37.2	49.2
2027	387.6	22.57	12.7	40.3	9.9	62.5	31.7	49.8	9.0	45.8	37.4	49.5
2028	390.6	22.62	12.6	40.7	10.1	62.9	32.0	50.1	9.2	46.3	37.6	49.7
2029	393.5	22.53	12.5	41.1	10.2	63.5	32.3	50.4	9.3	46.8	37.8	50.0
2030	396.5	22.56	12.3	41.6	10.4	64.1	32.6	50.6	9.5	47.3	38.0	50.2

